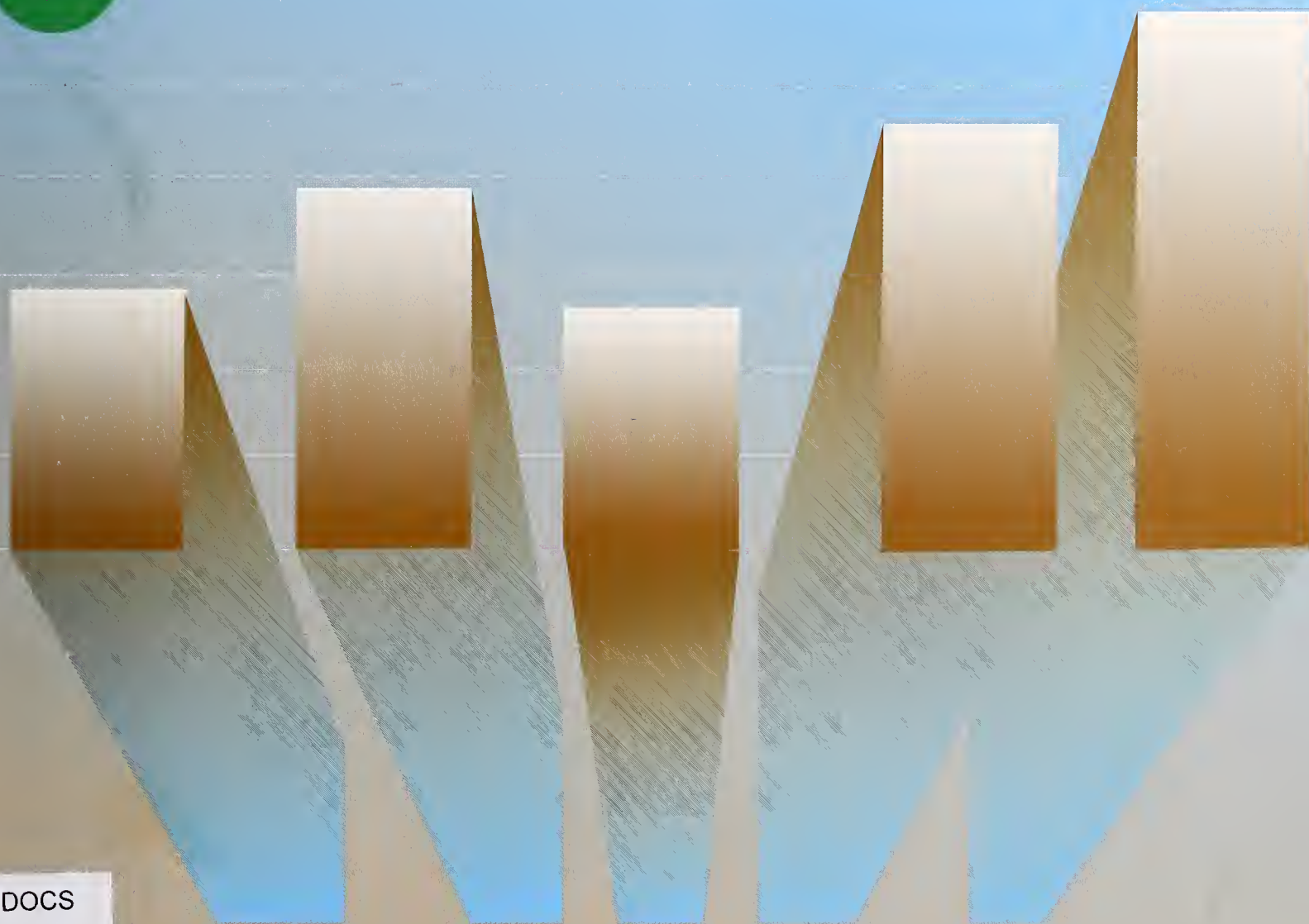

FAST FACTS & FIGURES

ABOUT SOCIAL SECURITY



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Social Security Administration
Office of Research, Evaluation, and Statistics

1996

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Superintendent of Documents, Mail Stop: SSOP, Washington, DC 20402-9328
ISBN 0-16-048763-3

**Fast Facts & Figures
About Social Security
1996**

The Social Security Administration's Office of Research, Evaluation, and Statistics (ORES) receives numerous requests for data about the Old-Age, Survivors, and Disability Insurance (OASDI) program and Supplemental Security Income (SSI) program. These requests come from Social Security staff—both from headquarters and the field—as well as from State agencies, congressional staff, and private organizations. This booklet has been designed to answer the most frequently asked questions about OASDI beneficiaries and SSI recipients.

The **Annual Statistical Supplement** to the **Social Security Bulletin**, which contains more than 200 detailed statistical tables, has provided some of the data for the booklet, with other data coming from other ORES publications. Some data have not been previously published; where a source is not identified, the data are from ORES.

The chartbook was produced by the ORES Publications Staff under the editorial direction of Celine D. Houget. Emil L. Loomis designed the booklet. Assistance was provided by Jennie L. Baxley. For questions pertaining to the data in this document, please contact Ann Bixby (202-282-7222).

Copies of this booklet are available from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402-9325. Please call 202-512-1800 for current pricing information. Government agencies may request copies by e-mail: sherman.e.caldwell@ssa.gov, or by telephoning the ORES Publications Staff: 202-282-7138. This document is also available on the Internet (http://www.ssa.gov/statistics/ores_home.html).

Peter M. Wheeler

Associate Commissioner

for Research, Evaluation, and Statistics

July 1996

Did you know that . . .

- ✓ We served over 47 million people (page 30)
- ✓ Almost 4 million persons were awarded OASDI benefits in 1995 (page 12)
- ✓ Social Security accounts for 42% of total income of aged units (page 6)
- ✓ Social Security kept 42% of aged units out of poverty (page 8)
- ✓ Social Security and SSI kept 1.4 million children out of poverty (page 35)
- ✓ The average age of DI beneficiaries has declined from just over 57 in 1960 to under 50 in 1995 (page 18)
- ✓ Disability is the basis of eligibility for 77% of SSI recipients (page 26)
- ✓ Women comprise 58% of adult Social Security beneficiaries (page 19)

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Abbreviations

AIME	Average Indexed Monthly Earnings
DI	Disability Insurance
HI	Hospital Insurance
OASDI	Old-Age, Survivors, and Disability Insurance
OASI	Old-Age and Survivors Insurance
ORES	Office of Research, Evaluation, and Statistics
PIA	Primary Insurance Amount
SSA	Social Security Administration
SSI	Supplemental Security Income

General Information, 1996

Tax rates:*

Program	Employer and employee, each	Self-employed
Total	7.65%	15.30%
OASI	5.26%	10.52%
DI94%	1.88%
HI	1.45%	2.90%

* Social Security tax for employers and self-employed can be partially offset under income tax rules.

Average wage level:*

1994	\$23,754
1995 (est.)	24,611
1996 (est.)	25,778

* Office of the Actuary, SSA.

Maximum earnings subject to Social Security taxes:

OASDI	\$62,700
HI	No limit

Taxes payable:

Earners	OASI	DI	HI
Average earner	\$1,356	\$242	No limit
Maximum earner	3,298	589	No limit
Self-employed maximum earner	6,596	1,179	No limit

Quarters of coverage (work credit):

\$640 in earnings equals one quarter of coverage

\$2,560 is maximum earnings needed for four quarters of coverage per year

Retirement earnings test:

Age	Annually	Monthly
Age 65–69 (\$1 for \$3 withholding rate)	\$12,500	\$1,042
Under age 65 (\$1 for \$2 withholding rate)	8,280	690

General Information, 1996

Age for full retirement benefit:

Full benefit at age—

Applicable to workers who
attain age 62 in year—

65	1994–99
65 and 2 months	2000
65 and 4 months	2001
65 and 6 months	2002
65 and 8 months	2003
65 and 10 months	2004
66	2005–2016
66 and 2 months	2017
66 and 4 months	2018
66 and 6 months	2019
66 and 8 months	2020
66 and 10 months	2021
67	2022 & later

Benefit formula bend points (for workers who in 1996 attain age 62,
become disabled, or die before age 62):

Primary insurance amount equals:

- 90% of the first \$437 of AIME, plus
- 32% of AIME over \$437 through \$2,635, plus
- 15% of AIME over \$2,635

Maximum family benefit equals:

- 150% of the first \$559 of PIA, plus
- 272% of PIA over \$559 through \$806, plus
- 134% of PIA over \$806 through \$1,052, plus
- 175% of PIA over \$1,052

Substantial gainful activity (used for determining eligibility for and
continuation of disability benefits):

- Earnings of \$500 per month for nonblind disabled persons
- Earnings of \$960 per month for blind persons

OASDI administrative costs as a percent of contributions,
fiscal year 1995:* 0.8%

*1996 OASDI Trustees' Report.

General Information, 1996

Trust fund operations:

[In billions]

	Fiscal year	Income	Outgo	Fund at end of year
1995 (actual)				
OASI		\$326.1	\$294.5	\$447.9
DI		70.2	41.4	35.2
1996 (est.)*				
OASI		358.9	308.3	498.5
DI		59.5	45.1	49.6

*Appendix to the Budget of the United States Government, Fiscal Year 1997.

Benefit payments as a percent of gross domestic product:

	Fiscal year	Total	OASI	DI
1994		4.58%	4.04%	0.54%
1995		4.58%	4.02%	.56%

Filed in fiscal year 1995:*

OASI claims	3.1 million
DI claims	1.8 million
SSI applications	2.0 million

*OASI claims exclude those filed by disabled widow(er)s and disabled adult children of retired or deceased workers, which are included in the DI claims.

SSI Federal payment standard: 1996

\$470 individual
\$705 couple

Poverty thresholds:*

	1993 (actual)	1994 (actual)	1995 (preliminary)
Family unit			
Aged individual	\$6,930	\$7,108	\$7,309
Family of two, aged head	8,487	8,967	9,221
Family of four	14,335	15,141	15,570

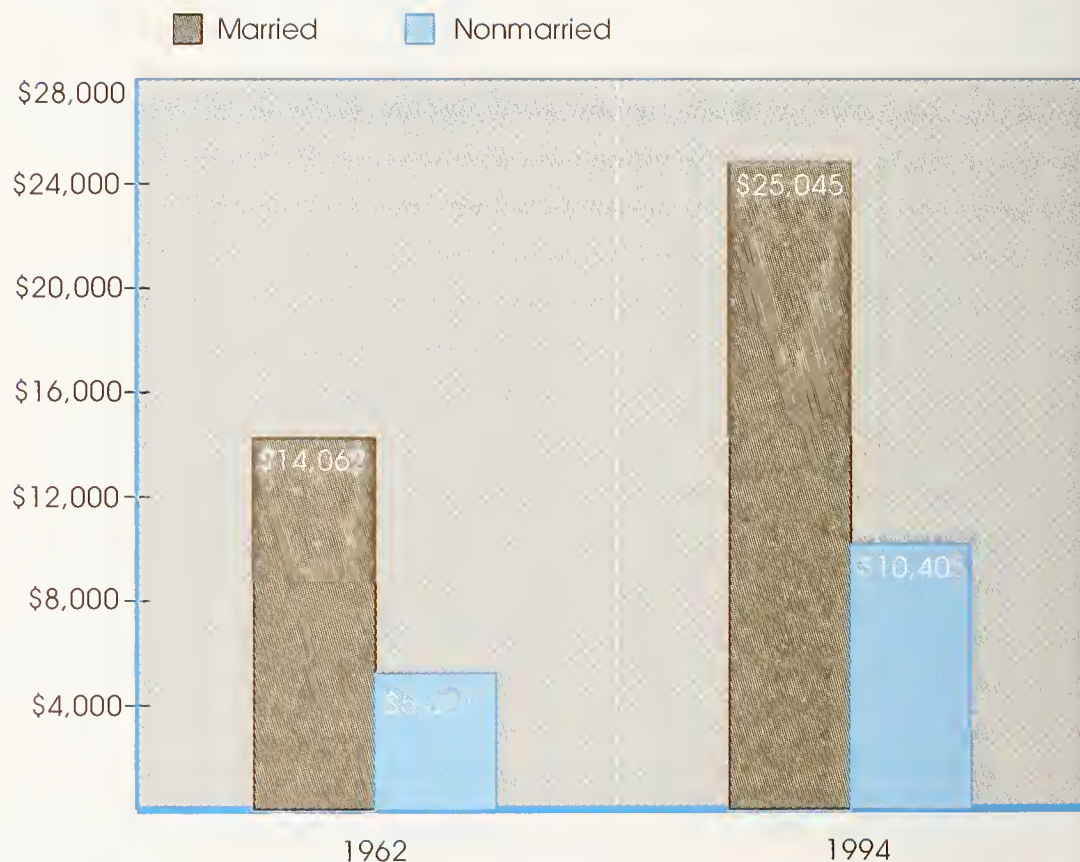
*Bureau of the Census.

Income of the Aged Population

Size of Income

Median income of aged units, 1962 and 1994. Median annual income for both married couples and nonmarried persons increased markedly from 1962 (the first year for which data are available) to 1994. Even after adjusting for inflation, median income rose 78% for married couples and 88% for nonmarried persons.

Median income of aged units (1994 dollars)

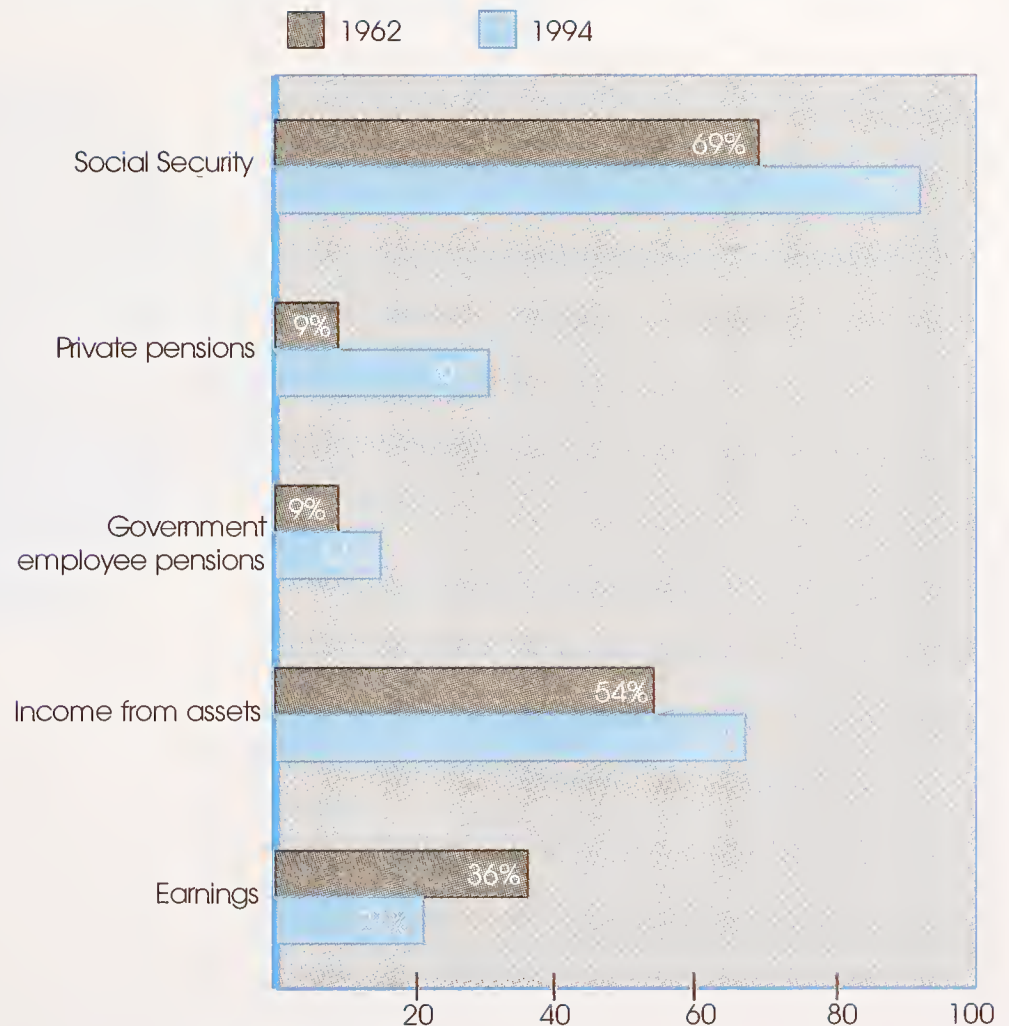


Income of the Aged Population

Receipt of Income

Sources of income, 1962 and 1994. Social Security benefits, which were the most common source of income in 1962, are now almost universal. The proportion of aged units with asset income, the next most common source, has grown from about one-half to more than two-thirds. Over the 30-year period, receipt of private pensions has more than tripled and receipt of government pensions has increased by more than half. A smaller proportion of couples and nonmarried persons aged 65 or older received earnings in 1994 than in 1962.

Percent of aged units receiving income from various sources

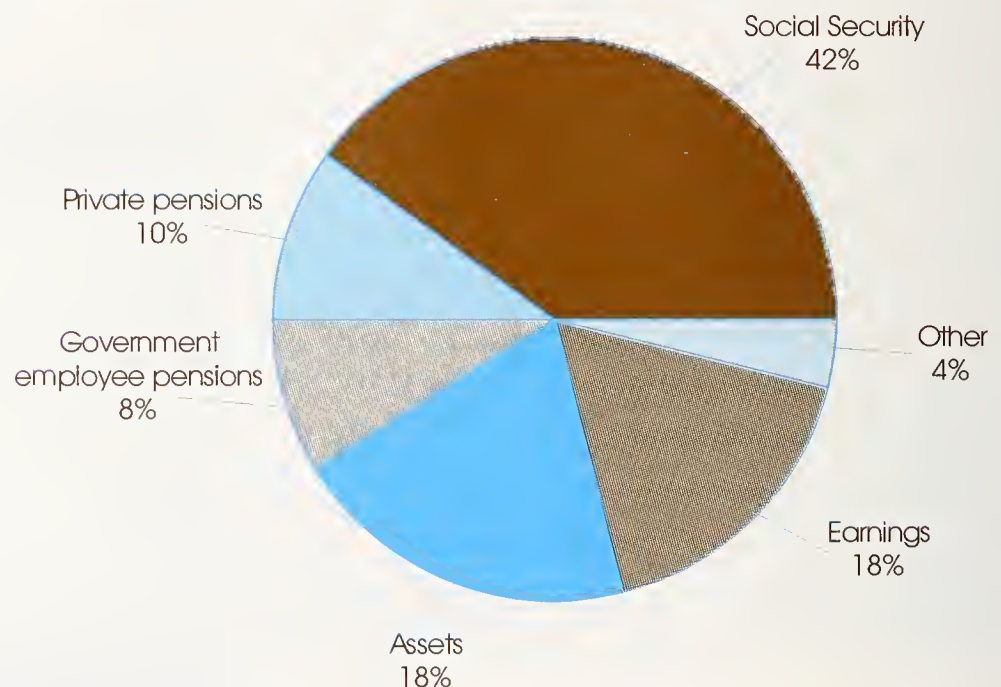


Income of the Aged Population

Shares of Aggregate Income

Proportion of income from various sources, 1962 and 1994. In 1962, Social Security, private and government employee pensions, income from assets, and earnings comprised only 84% of the total income of the aged, compared with 97% in 1994. Although they accounted for only a small proportion of total income in 1994, private pensions more than tripled their share in the period—from 3% to 10%. The share from earnings declined by about one-third—from 28% to 18%.

Percent of aggregate income of the aged
from various sources, 1994

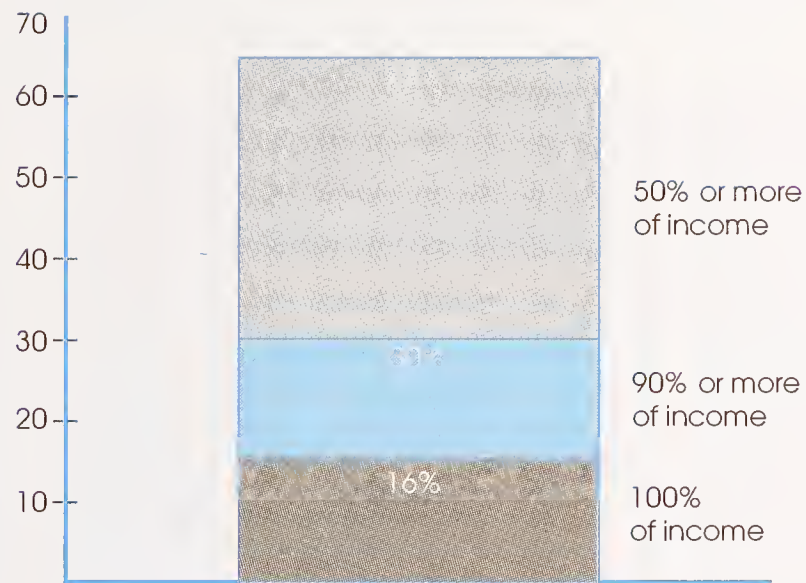


Income of the Aged Population

Reliance on Social Security

Importance of benefits, 1994. The OASDI program paid benefits to more than 90% of those aged 65 or older in 1994. It was the major source of income (providing at least 50% of total income) for 66% of the beneficiary units (couples or nonmarried persons), and it was the only source of income for 16%.

Percent of beneficiary units with Social Security benefits as a major source of income, 1994

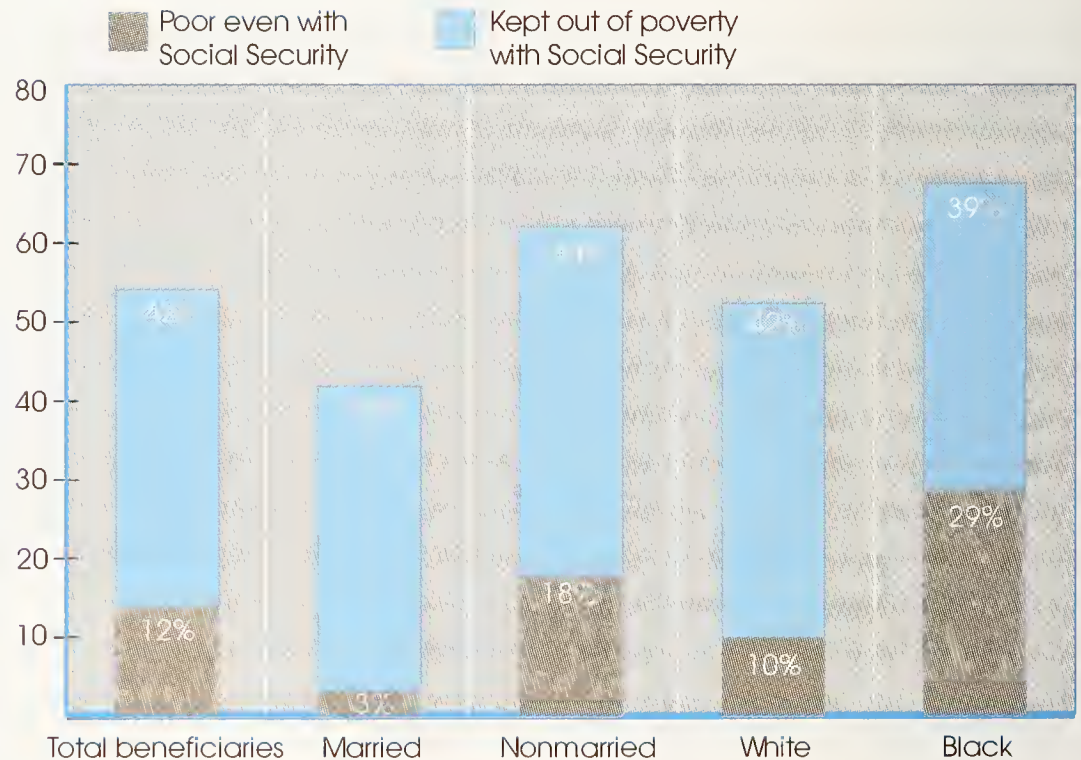


Income of the Aged Population

Benefits Affect Poverty

Benefits reduce poverty rates, 1994. More than two-fifths of the aged were kept out of poverty in 1994 by their Social Security benefits, a proportion that varies little by marital status or race. Overall, 12% of the aged were poor; without Social Security, the total poverty rate would have been 54%. (Data are based on family income rather than aged unit income to conform with official measures of poverty.)

Aged units and poverty status

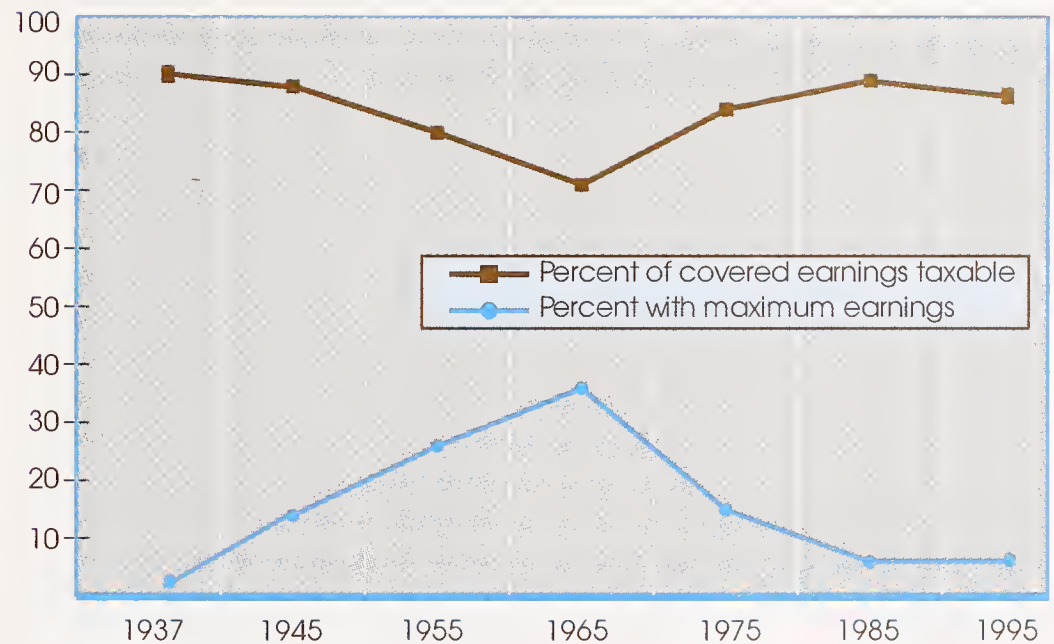


OASDI Program

Workers and Insured Status

Workers with taxable earnings, 1937–95. In 1995, 140 million workers had earnings in employment covered by the Social Security program. Of these workers, 6% had earnings that equaled or exceeded the maximum amount subject to Social Security taxes, compared with 3% when the program began and a peak of 35% in 1965. About 87% of the earnings of workers in covered employment were taxable in 1995, nearly the same proportion as in 1937.

Percent of covered workers with maximum earnings and percent of earnings taxable



Workers and Insured Status

Insured workers, 1970–96. Of persons aged 20 or older, the percentage insured for benefits has steadily increased over time. The percent permanently insured (those with enough covered work experience to qualify for retired-worker benefits at retirement age) rose from 50% in 1970 to 66% in 1996. The percent fully insured increased from 77% to 87%. To be fully insured, a worker must have at least one quarter of coverage for each year elapsed after 1950 (or age 21, if later) and before the year in which he or she attains age 62 or becomes disabled. To be insured for disability, the worker must be fully insured and have at least 20 quarters of coverage during the last 40 quarters. (Requirements for currently insured status are somewhat different for persons younger than age 31.)

Insured workers, aged 20 or older, as a percent of the corresponding population, 1970–96

Year*	Population (in millions)**	Percent		Insured for disability
		Permanently insured	Fully insured	
1970	135.2	50	77	52
1975	147.5	50	80	54
1980	162.0	53	83	58
1985	175.1	57	84	60
1990	185.9	63	86	62
1995	194.9	66	87	64
1996	196.6	66	87	64

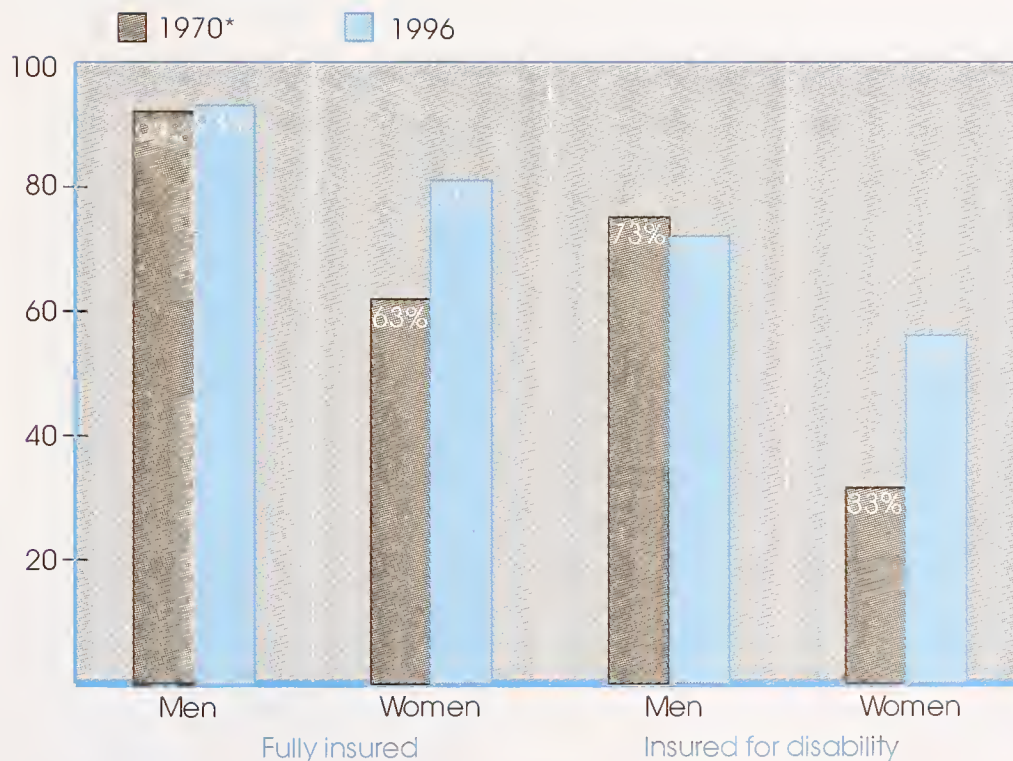
*As of December 31.

**The population in the Social Security Area is comprised of residents of the 50 States and the District of Columbia; civilian residents of Puerto Rico, the Virgin Islands, Guam, and American Samoa; Federal civilian employees and persons in the Armed Forces abroad and their dependents; crew members of merchant vessels; and all other U.S. citizens abroad. This is a change from past editions of this table that used the U.S. population rather than the Social Security Area population.

Workers and Insured Status

Insured status, by sex, 1970–96. Although men are more likely than women to be insured, the gap between the sexes is shrinking. While the percentage of men insured has remained essentially stable, with 92-93% fully insured, and 71-72% insured for disability, the percentage of women fully insured has increased nearly 30%, and those insured for disability by more than 70%.*

Percent of population aged 20 or older insured for benefits, by sex



*The 1970 data were incorrectly reported in the 1994 and 1995 editions of this booklet. They have been corrected by the Office of the Actuary, SSA.

OASDI Program

Benefit Awards

Benefits awarded, 1995. Benefits were awarded to almost 4 million persons in 1995. Forty-one percent were retired workers and 17% were disabled workers. The remaining 42% were survivors and/or dependents of workers—that is, spouses and children of retired or disabled workers who received benefits based on the worker's earnings record.

Benefit awards, 1995

Type of beneficiary	Total number (in thousands)	Total percent
New awards	3,882	100
Retired workers and dependents	1,969	51
Workers	1,609	41
Spouses and children	360	9
Disabled workers and dependents	1,110	29
Workers	646	17
Spouses and children	464	12
Survivors of deceased workers	803	21

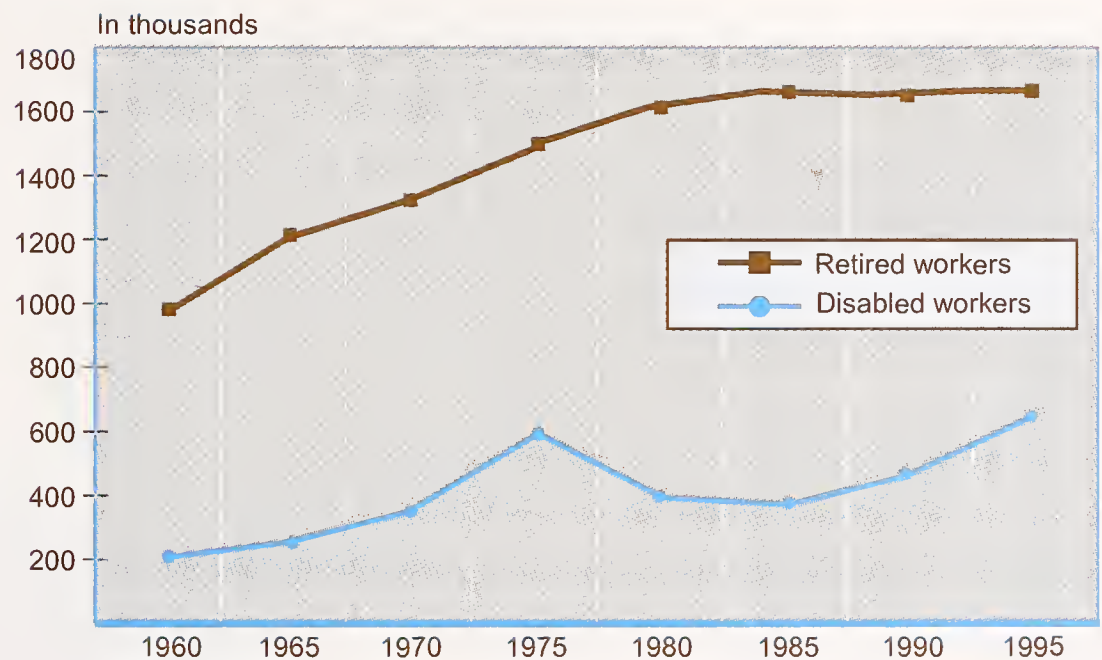
Percent of benefits awarded, 1995



Benefit Awards

Benefits awarded to workers, 1960–95. The more than 1.6 million awards to new retired-worker beneficiaries in 1995 represented a leveling off of the general trend toward an increase in these awards that prevailed until the mid-1980's. The 646,000 new disabled-worker awards are part of an upward trend in these awards since the mid-1980's.

New awards



OASDI Program

Benefits in Current-Payment Status

Persons receiving monthly benefits, December 1995. More than 43 million persons were receiving monthly Social Security benefits in December 1995. Of these, the majority were retired workers.

Benefit receipt, by type of beneficiary

Type of beneficiary	Total number (in thousands)	Total percent
Total with benefits in current-payment status	43,387	100
Retired workers and dependents	30,140	69
Workers	26,673	61
Spouses and children	3,468	8
Disabled workers and dependents	5,858	14
Workers	4,185	10
Spouses and children	1,672	4
Survivors of deceased workers	7,389	17

Percent of beneficiaries in current-payment status, by type



Benefit Amounts

Average amount of newly awarded benefits and benefits in current-payment status, 1995. Benefits payable to workers who retire at the normal retirement age and to disabled workers are equal to 100% of the PIA (subject to any applicable deductions). At the normal retirement age, widow's benefits are also payable at 100% of the insured worker's PIA. Nondisabled widows and widowers can receive reduced benefits at age 60. Disabled widow benefits are payable (with a greater reduction) at age 50. Spouses, children, and parents receive smaller proportions of the worker's PIA than widows do.

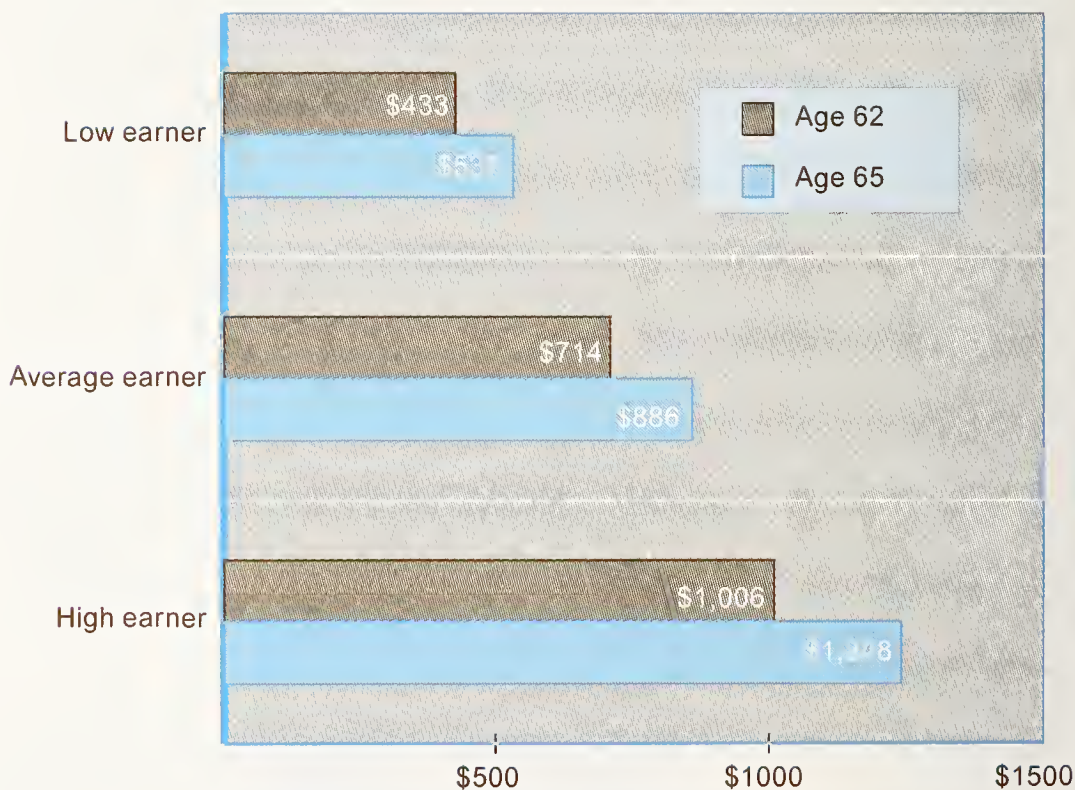
Average monthly benefit amounts, 1995

Type of beneficiary	New awards	Current-payment amount
Retired workers	\$689	\$720
Spouses	334	370
Children	298	322
Disabled workers	694	682
Spouses	175	164
Children	176	183
Survivors:		
Nondisabled widows and widowers	667	680
Disabled widows and widowers	458	458
Widowed mothers and fathers	464	478
Surviving children	464	469
Parents	607	591

Benefit Amounts

Hypothetical benefit amounts, 1996. A covered worker who had worked continuously at low wages (45% of average national wages) and who claimed benefits at age 62 in January 1996 would have received a monthly benefit of \$433. One who had earnings at or above the maximum amount subject to Social Security taxes and who claimed benefits at age 65 would have received \$1,248.

Hypothetical benefit amounts for a person who claimed benefits in January 1996



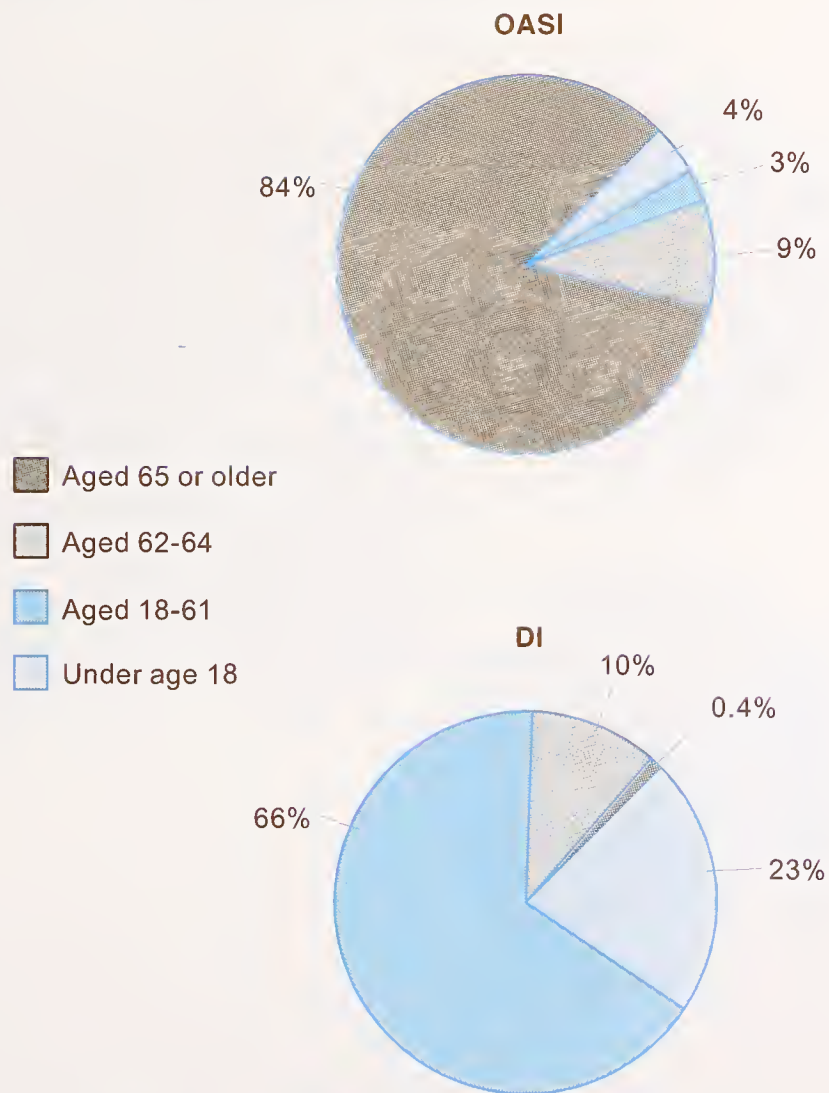
Source: Office of the Actuary, SSA.

OASDI Program

Beneficiaries by Age

Age of persons receiving benefits, December 1995. Some 81% of all OASDI beneficiaries with benefits in current-payment status were aged 62 or older in December 1995. Among OASI beneficiaries, 92% are 62 or older. Among DI beneficiaries—disabled workers and their spouses and children—most are under age 62.

Percent of beneficiaries, by age



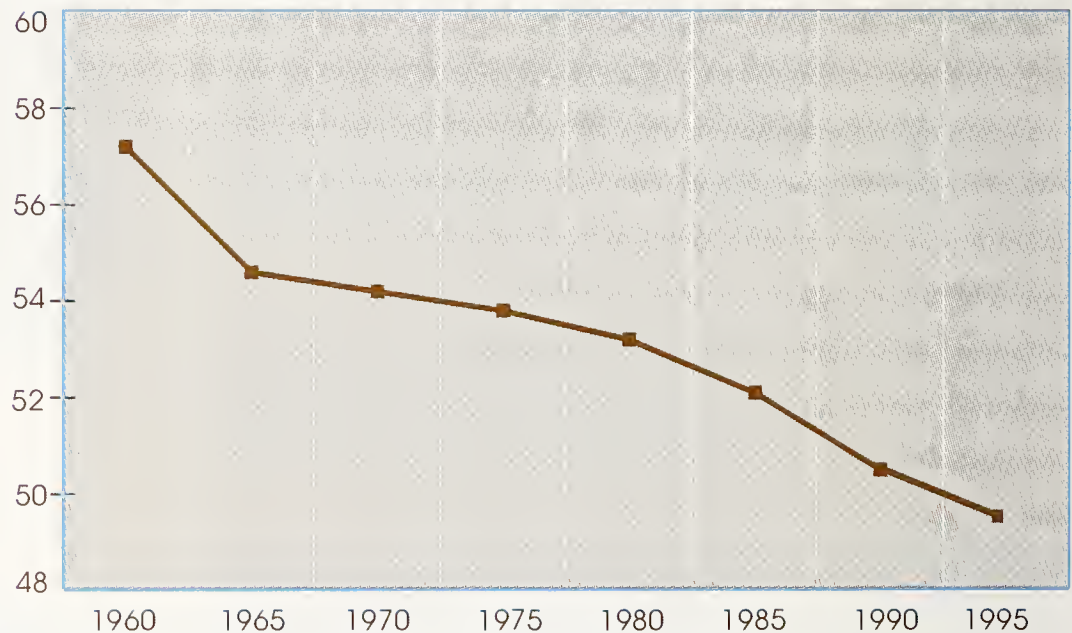
Percents may not sum to totals due to rounding.

OASDI Program

Beneficiaries by Age

Age of disabled-worker beneficiaries, 1960–95. The average age of disabled-worker beneficiaries in current-payment status has declined substantially since 1960, when DI benefits first became available to persons younger than age 50. In that year, the average age of a disabled worker was 57.2 years. By 1980, it was 53.2, and by 1995, the average age had declined to 49.8 years.

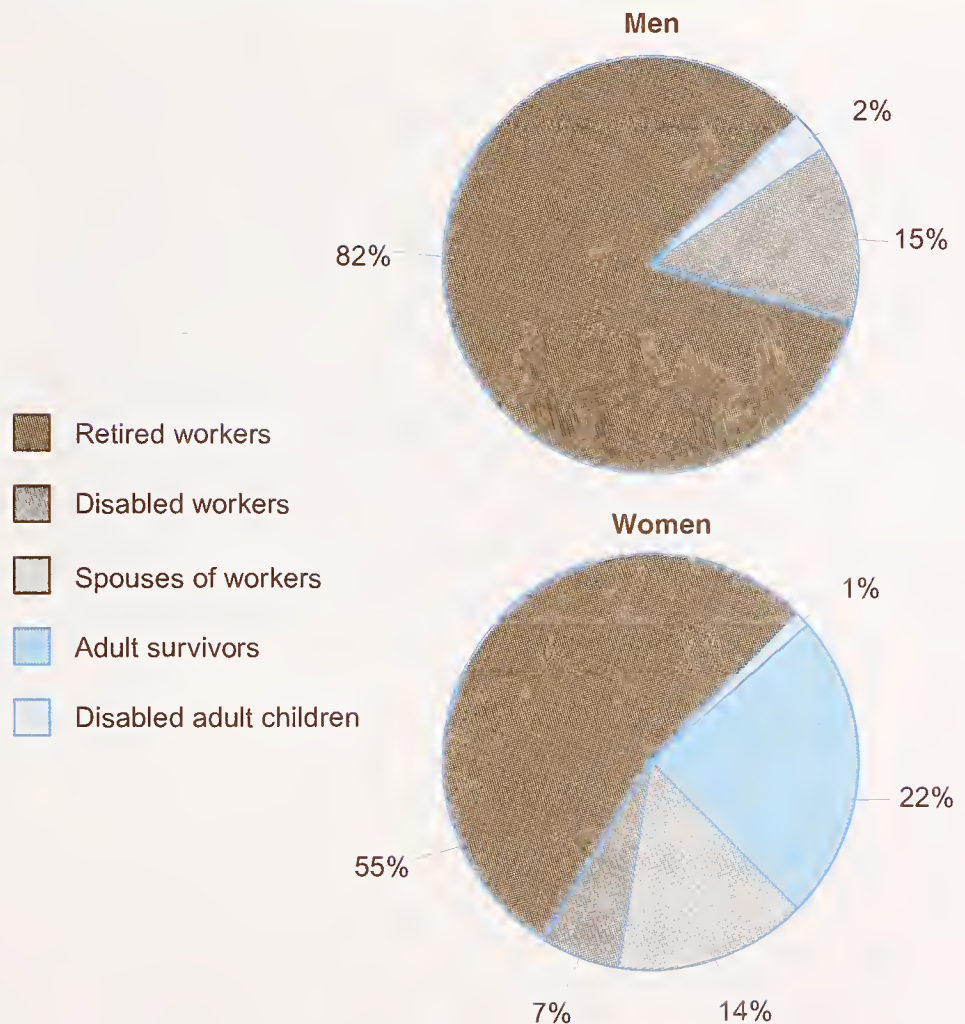
Average age of disabled-worker beneficiaries



Beneficiaries by Sex

Sex of persons receiving monthly benefits, December 1995. Of all adults receiving monthly Social Security benefits at the end of 1995, 42% were men and 58% were women. More than 80% of the men and more than 50% of the women received retired-worker benefits; about a fifth of the women received survivor benefits.

Percent of adult beneficiaries, by sex



Percents may not sum to totals due to rounding.

OASDI Program

Beneficiaries by Sex

Average monthly benefit amounts for those receiving benefits, December 1995. Among retired and disabled workers who collected benefits based on their own work record, men received a higher average monthly benefit than women. For those who collected benefits based on another person's work record (spouses and survivors), women had higher average benefits.

Average monthly benefits by sex, December 1995

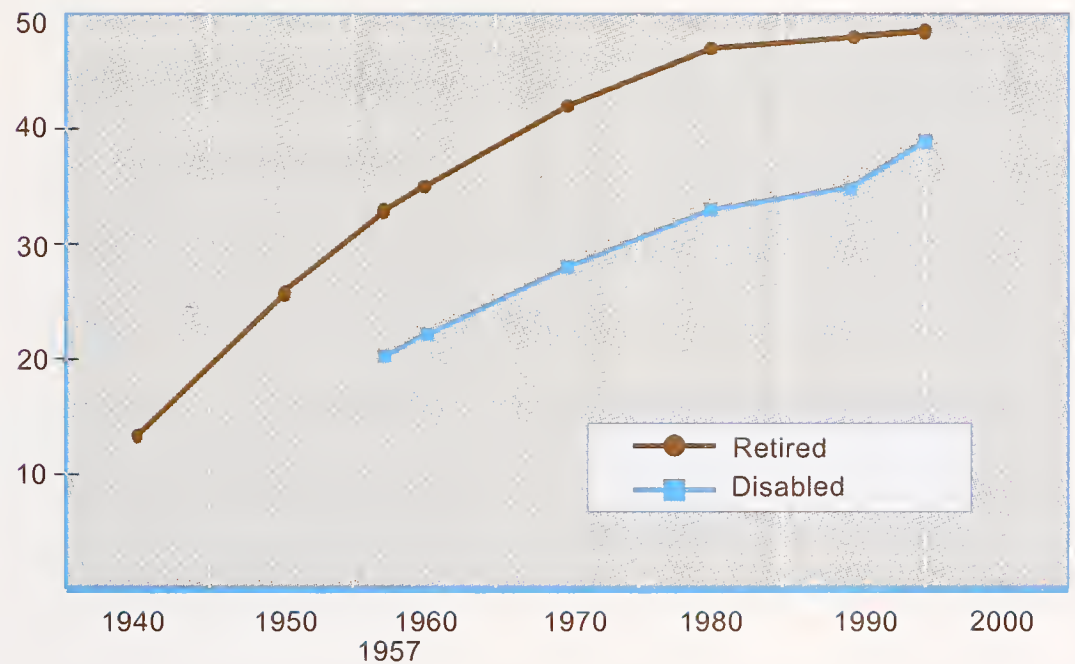
Type of beneficiary	Men	Women
Total	\$792	\$588
Retired workers	810	621
Spouses	221	372
Disabled workers	762	555
Spouses	117	165
Survivors:		
Nondisabled widows and widowers	500	681
Disabled widows and widowers	308	461
Mothers and fathers	351	485

OASDI Program

Beneficiaries by Sex

Women-worker beneficiaries, 1940–95. The proportion of women among retired-worker beneficiaries has quadrupled since 1940. The proportion of women among disabled-worker beneficiaries has almost doubled since 1957, when benefits first became payable to disabled workers.

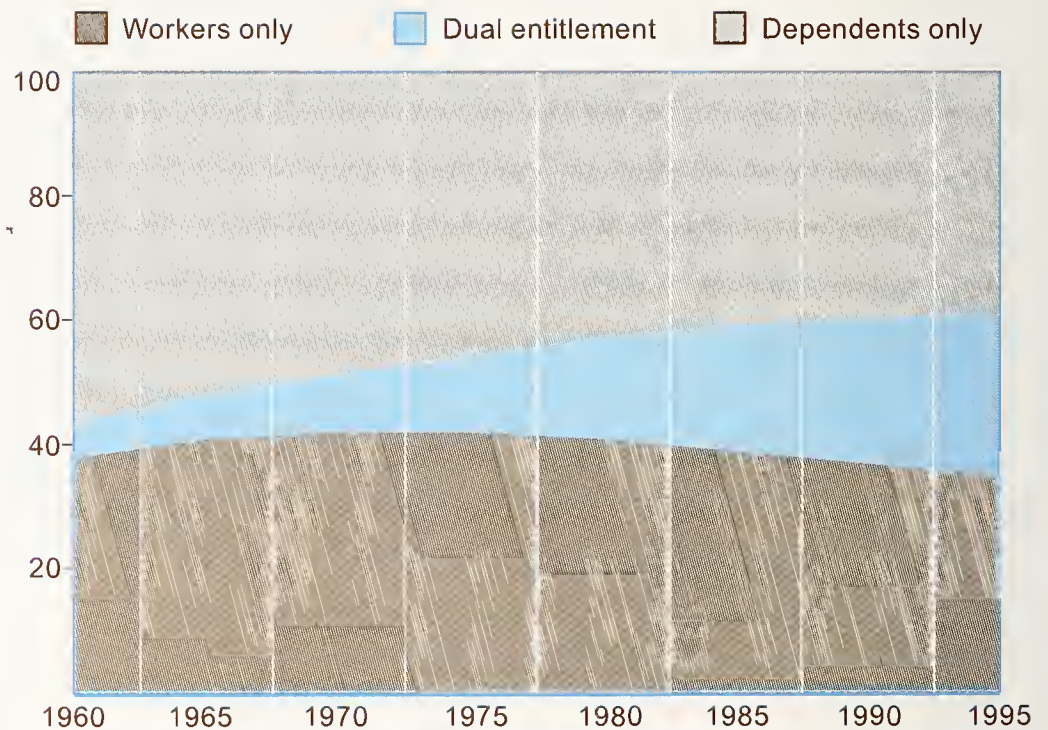
Percent of women-worker beneficiaries, 1940-95



Dual Entitlement

Dual entitlement, 1960–95. The proportion of women aged 62 or older who are receiving benefits based only on their husband's (or deceased husband's) earnings record has been declining—from 57% in 1960 to 38% in 1995. At the same time, the proportion of women entitled on the basis of both their own earnings record and that of their husband's has been increasing—from 5% in 1960 to 26% in 1995.

Receipt of benefits by women at age 62 or older



SSI Program

SSI Recipients

Historical comparison, 1974–95. Shortly after the SSI program began in 1974, the number of persons receiving federally administered payments rose to 4 million. It remained at about that level until the late 1980's and then began to rise. In 1995, it was over 6.5 million.

Persons receiving federally administered payments

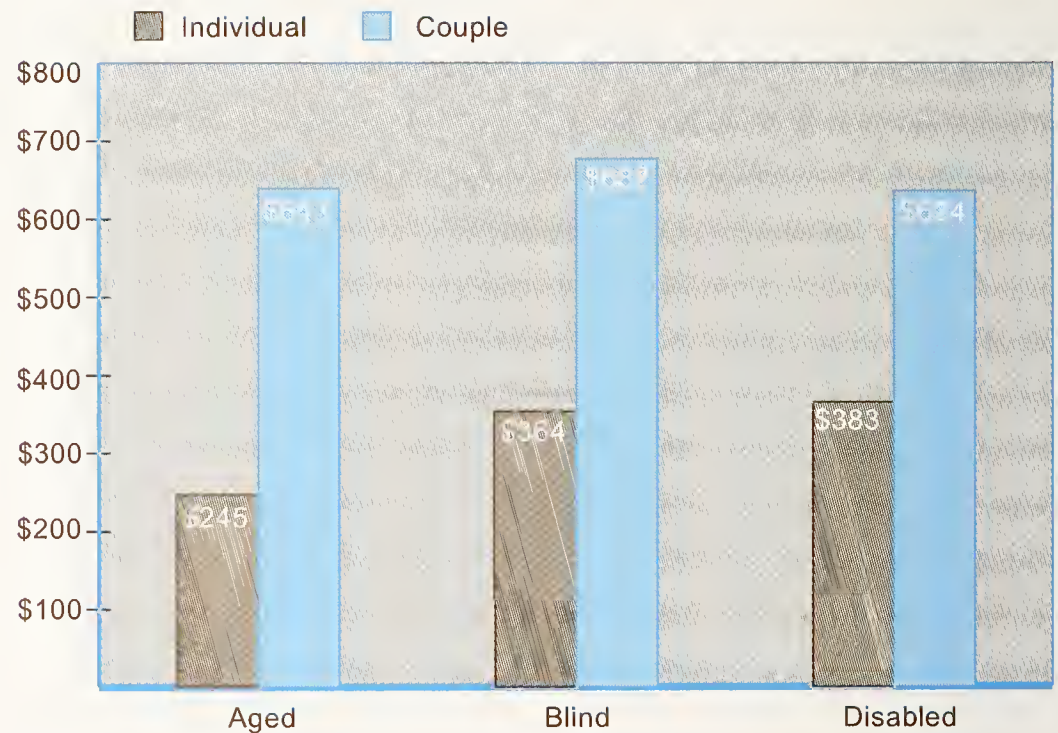
Year	Total number (in thousands)
1974	3,216
1976	4,326
1978	4,217
1980	4,142
1982	3,858
1984	4,029
1986	4,269
1988	4,464
1990	4,817
1992	5,566
1994	6,296
1995	6,514

SSI Program

SSI Payment Amounts

Average monthly payments by basis for eligibility, December 1995. In 1995, the average monthly SSI payment was highest for disabled individuals. The highest payment to couples went to those qualified on account of blindness. Disabled and blind recipients received somewhat higher payments because they are less likely than the aged to receive OASDI benefits or other unearned income.

Average monthly SSI payment amount

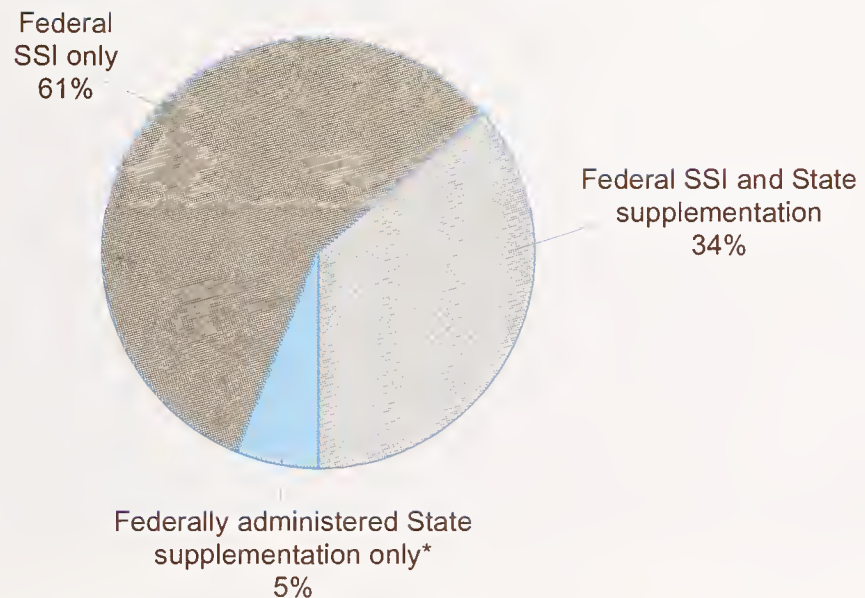


SSI Program

Federally Administered Payments

Recipients by type of payment, December 1995. Over 6 million persons received federally administered SSI payments in December 1995. Most received Federal SSI only. States have the option of supplementing the SSI income floor. Some States are required to supplement the Federal benefit rate if the rate does not equal or exceed the income that the recipient would have had under the former State program.

Percent of recipients, by type of payment



*Excludes State-administered SSI payments.

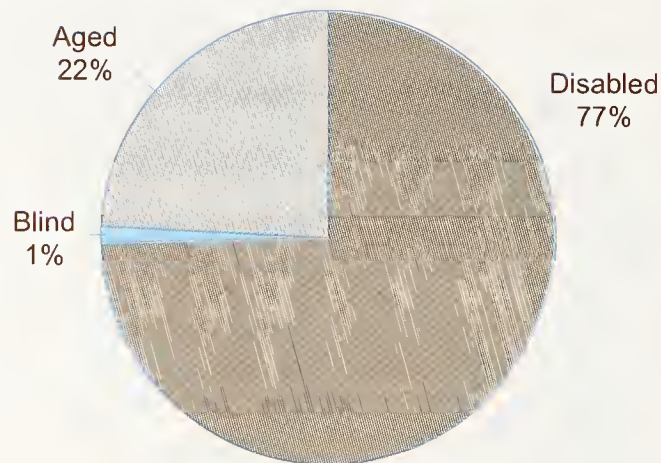
SSI Program

Basis for Eligibility

Recipients by basis for eligibility and age, December 1995.

About one-fifth of the SSI recipients were eligible on the basis of age; over three-fourths were eligible on the basis of disability. One-third of the recipients were aged 65 or older. In the SSI program—unlike the OASDI program—a disabled recipient can be aged 65 or older. (DI beneficiaries are converted to the retirement program when they attain age 65.) Among SSI recipients aged 65 or older, 31% were disabled.

SSI recipients, by basis for eligibility



SSI Program

SSI Recipients by Age

Historical comparison, by age, 1974–95. The proportion of SSI recipients aged 65 or older has declined from 61% in January 1974 to 33% in December 1995. The long-term growth of the SSI program has occurred because of an increase in the number of disabled recipients, most of whom are under age 65.

Percent of SSI recipients aged 65 or older

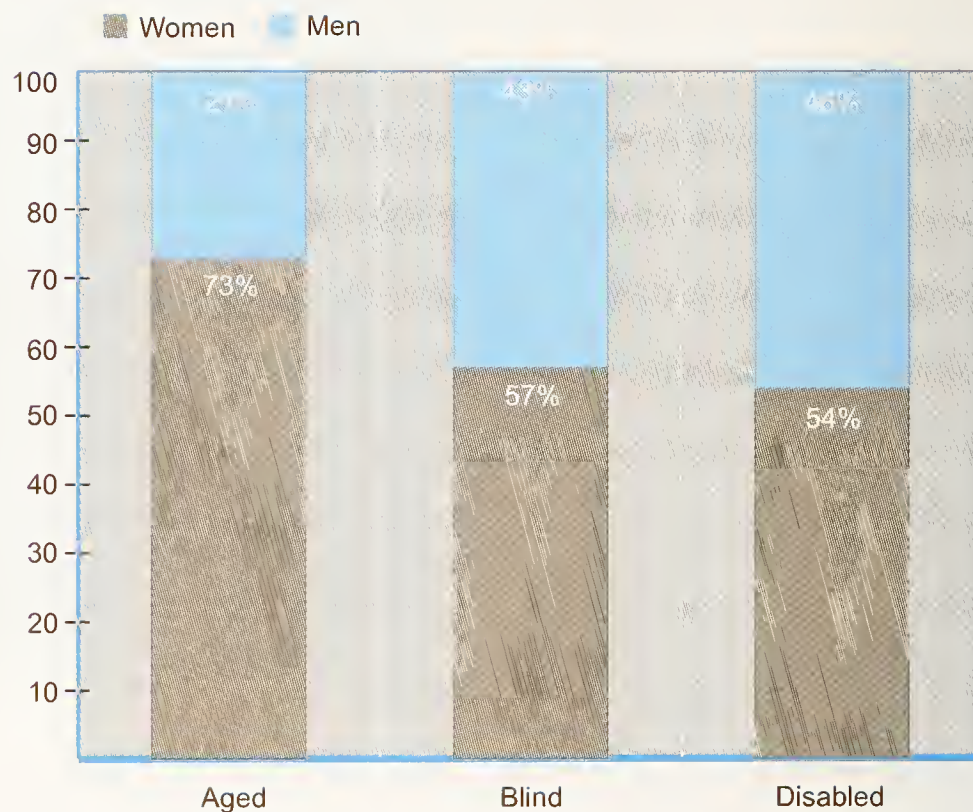


SSI Program

SSI Recipients by Sex

Basis for eligibility, by sex, December 1995. Overall, 60% of the SSI recipients in December 1995 were women, but this varied by the basis for entitlement. Nearly three-fourths of those entitled on the basis of age were women. Of those entitled on the basis of disability, 54% were women.

Percent of SSI recipients

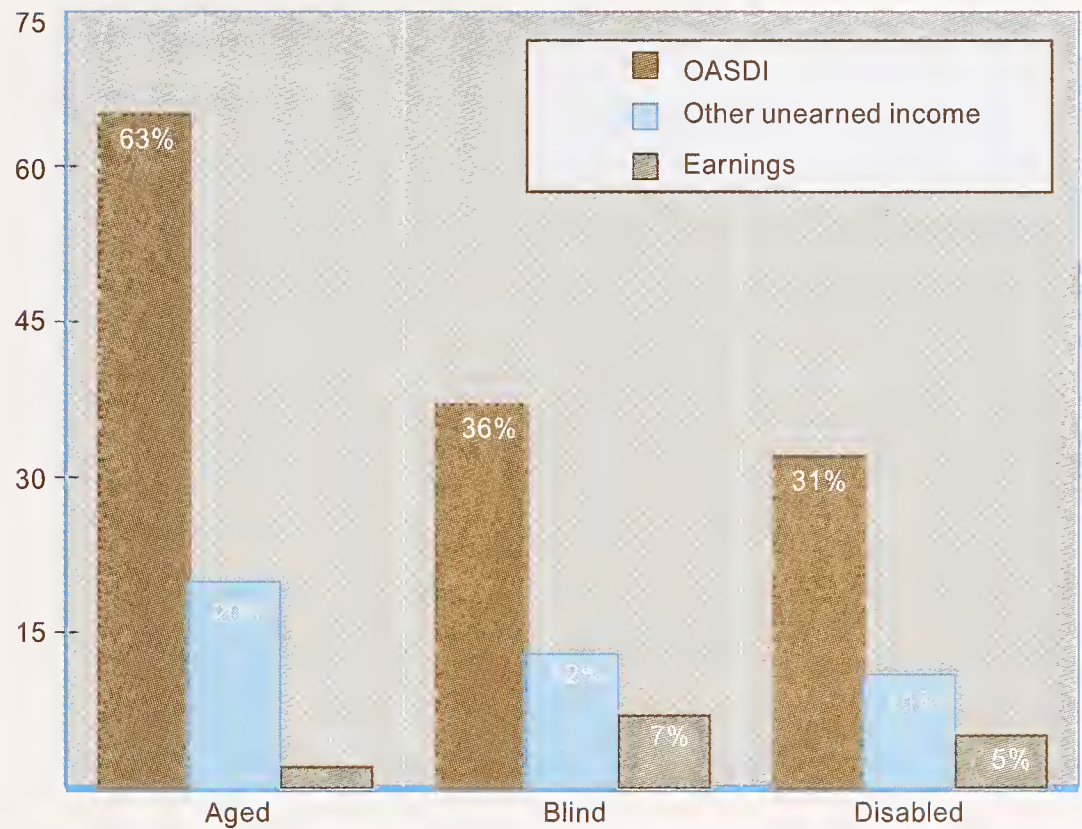


SSI Program

Other Income

Type of other income received, December 1995. Aged SSI recipients were most likely to have received OASDI benefits in December 1995. A much smaller percentage of recipients had unearned income such as veterans' pensions or income from assets, and few had earnings.

Percent with other income, by source



OASDI and/or SSI

All Beneficiaries

Receipt of OASDI and SSI payments, December 1995. There were 47.4 million persons receiving a payment from Social Security in December 1995. Most (40.9 million) received OASDI benefits only; about 4.1 million received SSI only, and 2.5 million received payments from both programs.

Receipt of OASDI and/or SSI

Type of beneficiary	Number (in thousands)
Total receiving OASDI and/or SSI	47,434
Total receiving OASDI	43,387
Receiving OASDI only	40,927
Total receiving SSI	6,514
Receiving SSI only	4,047
Receiving both OASDI and SSI	2,467

OASDI and/or SSI

Beneficiaries Aged 65 or Older

Receipt of OASI and/or SSI aged benefits, December 1995.

Aged or survivor benefits were paid to 32.2 million persons aged 65 or older in December 1995. About 1.3 million persons received both OASI and SSI.

Receipt of OASI and/or SSI aged benefits

Type of beneficiary	Number (in thousands)
Aged 65 or older, total (unduplicated)	32,241
OASI, total*	31,448
Retired workers	24,234
Spouses	2,607
Nondisabled widows or widowers	4,542
Disabled adult children, aged 65 or older	57
SSI, total**	2,115
Receiving SSI only	793
Concurrently receiving both OASI and SSI	1,322

*Total includes 8,000 persons who received either dependent parents' benefits, special age-72 benefits, or mother's/father's benefits.

**Includes persons receiving SSI classified as "aged," and those aged 65 or older classified as "blind" or "disabled."

OASDI and/or SSI

Disabled Beneficiaries

Receipt of disability payments, December 1995. Payments based on the beneficiary's own disability were made to over 8 million persons under age 65 in December 1995. More than half of them received payments from the SSI program. Those receiving only SSI numbered 3.2 million; 3.8 million received OASDI only. There were 1.1 million who received payments from both programs.

Receiving OASDI and SSI disability payments

	Number (in thousands)
Total	8,242
OASDI disability payments	4,987
Disabled workers	4,185
Disabled children aged 18-64	629
Disabled widows and widowers	173
OASDI disability only	3,843
SSI disability payments	4,399
Blind and disabled adults under age 65	3,425
Blind and disabled children	974
Under age 18	917
Aged 18-21	57
SSI disability only	3,255
Both OASDI and SSI	1,144

Disability payments to persons under age 65



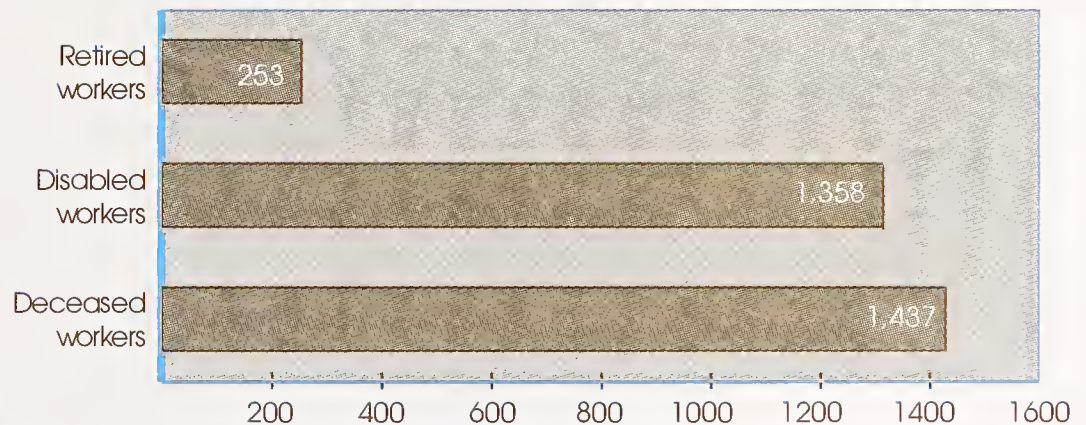
Children and Social Security

Children and OASDI

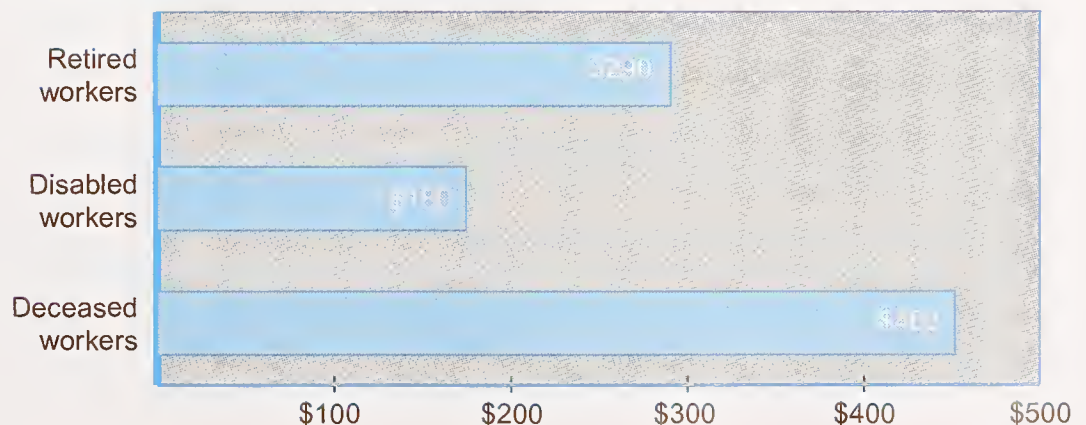
Current receipt, December 1995. Over 3 million children received OASDI benefits in December 1995, about half of them as children of deceased workers. These children had the highest average payments, in part because they are eligible to receive monthly benefits equal to 75% of the worker's PIA, whereas children of retired or disabled workers receive 50%. Overall, the average monthly benefit amount was \$323.

Number of children of —

In thousands



Average monthly benefit for children of—

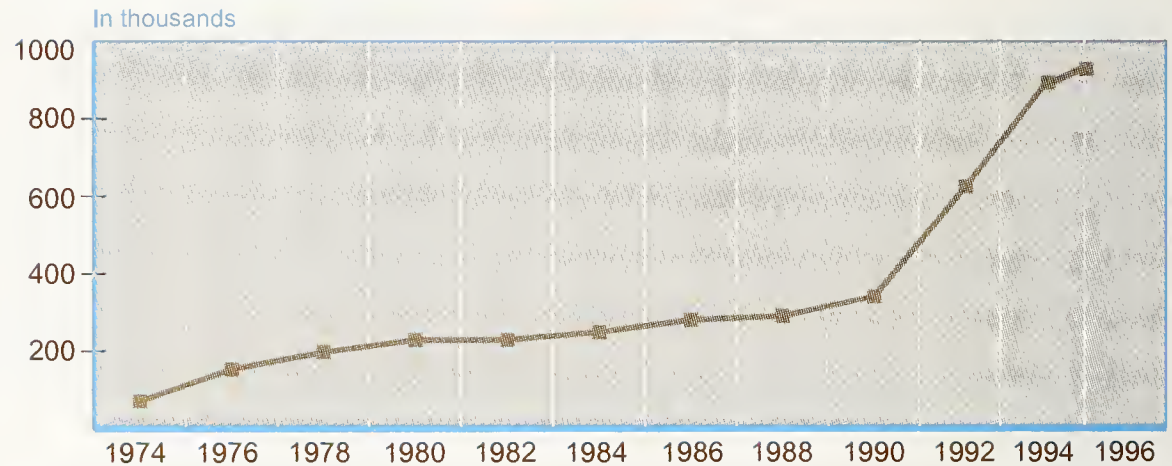


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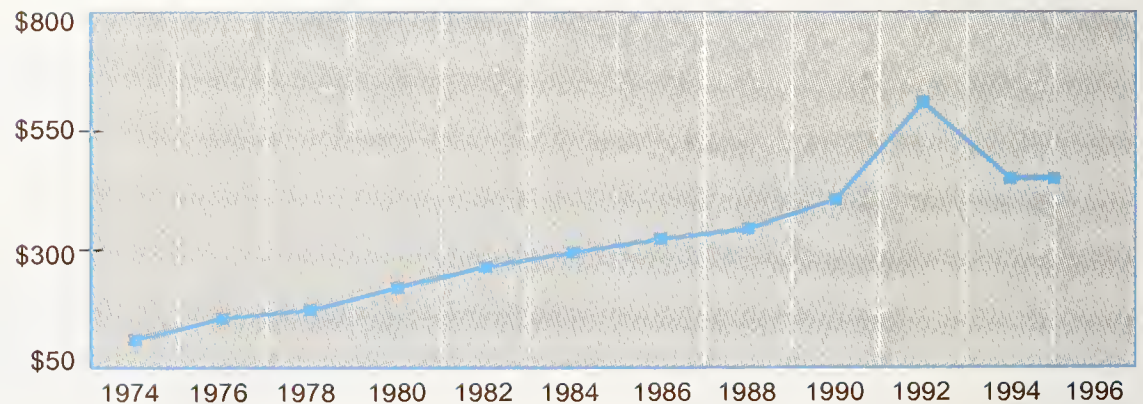
Children and SSI

Recipients and payment amounts, 1974–95. Since SSI began, there has been a ten-fold increase in the number of blind and disabled children receiving payments. The relatively high average payment to disabled children (compared with that made to blind and disabled adults) is due in part to a limited amount of other countable income. The peak in average payments in 1992 is due to retroactive payments resulting from the *Sullivan vs. Zebley* decision.

Number of children receiving SSI payments



Average monthly amount



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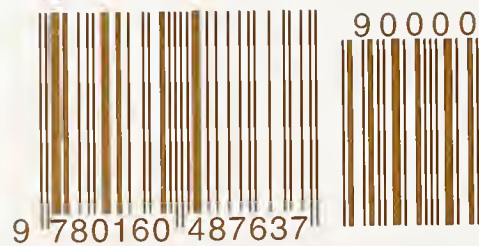
SSA's Role in Reducing Poverty

Social Security's role in reducing poverty for children, 1994. In 1994, 7.2 million children were living in families receiving OASDI or SSI benefits. About 1.4 million children would have resided in families with incomes below the poverty line without these benefits. About 2.5 million children were still poor even though OASDI and SSI benefits improved their situation.

Reducing poverty for children



ISBN 0-16-048763-3



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SSA Publication No. 13-11785



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